

*Administration of Barack H. Obama, 2010*

**Remarks on Signing the Health Care and Reconciliation Act of 2010 in  
Alexandria, Virginia**

*March 30, 2010*

Thank you, Alexandria. Thank you very much. Thank you, everybody. Please have a seat.

Thank you, Dr. Biden, for that outstanding introduction and for putting up with Joe. [Laughter] I want to also thank Dr. Biden for being one of the thousands of instructors all across the country who make such a difference in the lives of students each and every day. So we are very proud of you for that.

I want to thank President Templin and the entire NOVA Community College family for hosting us here today—[applause]—you can applaud for that.

On stage, we've got a couple of my outstanding Cabinet members, Secretary Sebelius and Secretary Arne Duncan. Please give them a big round of applause. In the audience, we've got Secretary Salazar of Interior, Secretary Donovan of HUD, and Ambassador Ron Kirk, our U.S. Trade Representative. Please give them a big round of applause.

To all the outstanding Members of Congress who've made this day possible—and I'm going to mainly single out the amazing Speaker of the House, Nancy Pelosi.

Today we mark an important milestone on the road to health insurance reform and higher education reform. But more broadly, this day affirms our ability to overcome the challenges of our politics and meet the challenges of our time.

And when I took office, one of the questions we needed to answer was whether it was still possible to make Government responsive to the needs of everyday people, middle class Americans, the backbone of this country, or whether the special interests and their lobbyists would continue to hold sway, like they've done so many times before. And that's a test we met 1 week ago, when health insurance reform became the law of the land in the United States of America.

And it's a test we met later in the week, when Congress passed higher education reforms that will have a tremendous impact on working families and America's future. That's two major victories in 1 week that will improve the lives of our people for generations to come.

Now, I've said before and I've repeated this week, the health insurance reform bill I signed won't fix every problem in our health care system in one fell swoop, but it does represent some of the toughest insurance reforms in history. It represents a major step forward towards giving Americans with insurance, and those without, a sense of security when it comes to their health care. It enshrines the principle that when you get sick, you've got a society there, a community that is going to help you get back on your feet. It represents meaningful progress for the American people.

And today I'm signing a bill that will make a number of improvements to these core reforms. We'll increase the size of tax credits to help middle class families and small businesses pay for their health insurance. We're going to offer \$250 to seniors who fall in the Medicare coverage gap known as the doughnut hole to help them pay for prescriptions, and that's a first step towards closing that gap completely. We'll make a significant new investment in community health centers all across America that can provide high-quality primary care to

people who need it most. And we'll strengthen efforts to combat waste and fraud and abuse to make sure your dollars aren't lining the pockets of insurance companies when they should be making your health care better.

Now, the debate on health care reform is one that's gone on for generations, and I'm glad—I'm gratified that we were able to get it done last week. But what's gotten overlooked amid all the hoopla, all the drama of last week, is what happened in education, when a great battle pitting the interests of the banks and financial institutions against the interests of students finally came to an end.

You see, for almost two decades, we've been trying to fix a sweetheart deal in Federal law that essentially gave billions of dollars to banks to act as unnecessary middlemen in administering student loans. So these—those are billions of dollars that could have been spent helping more of our students attend and complete college, that could have been spent advancing the dreams of our children, that could have been spent easing the burden of tuition on middle class families. Instead, that money was spent padding student lenders' profits.

Now, it probably won't surprise you to learn that the big banks and financial institutions hired a army of lobbyists to protect the status quo. In fact, Sallie Mae, America's biggest student lender, spent more than \$3 million on lobbying last year alone.

But I didn't stand with the banks and the financial industries in this fight—that's not why I came to Washington—and neither did any of the Members of Congress who are here today. We stood with you. We stood with America's students. And together, we finally won that battle.

I don't have to tell folks here at NOVA why this victory matters. In the 21st century, when the success of every American hinges more than ever on the quality of their education and when America's success as a nation rests more than ever on an educated workforce that is second to none, we can't afford to waste billions of dollars on giveaways to banks.

We need to invest that money in our students. We need to invest in our community colleges. We need to invest in the future of this country. We need to meet the goal I set last year and graduate more of our students than any other nation by the year 2020. And through the extraordinary leadership of Education Secretary Arne Duncan, that's what the reforms I'm signing today will help us do.

By cutting out the middleman, we'll save American taxpayers \$68 billion in the coming years—\$68 billion. That's real money—[laughter]—real savings that we'll reinvest to help improve the quality of higher education and make it more affordable.

Now, we've already taken a number of steps through the Recovery Act and through my budget to significantly increase the support provided to young people attending colleges and universities all across the country. And I just—President Templin handed me a sheet just as I walked in. Just in case you're wondering whether this makes a difference, so far this year—and the year isn't over—right here at NOVA, Pell grant recipients increased by 41 percent over last year, the total dollar amount of Pell grants increased by 59 percent, the number of federally guaranteed loans increased by 43 percent, and loan awards increased by 68 percent. That's right here at this one community college, because of the steps that we had already taken.

So using the \$68 billion that we're saving, that had been going to the banks, here's what we're going to be able to do. First, we will reinvest a portion of those savings to upgrade our community colleges, which are one of the great, undervalued assets in our education system.

Community colleges like NOVA are incredibly important because they serve a varied group of learners, from recent high school grads seeking a pathway to a college degree to adults seeking training for the jobs of tomorrow. By forging private sector partnerships, community colleges can offer students the education and training they need to find a good job when they graduate, and it helps offer businesses the assurance they need that graduates will be ready for the jobs that they're hired to do.

And because community colleges like NOVA are so essential to a competitive workforce, I've asked your outstanding professor, Dr. Jill Biden—who does not have enough to do—*[laughter]*—to host a summit on community colleges at the White House this fall. And we're going to bring everybody together, from educators to students, experts to business leaders. We are going to bring everybody together to share innovative ideas about how we can help students earn degrees and credentials, and to forge private sector partnerships so we can better prepare America's workforce and America's workers to succeed in the 21st century.

Now, to help open the doors of higher education to more students, we'll also reinvest part of that \$68 billion in savings in Pell grants, one of the most popular forms of financial aid. Pell grants once covered more than three-quarters of the cost of going to college. But now, because the cost of college has skyrocketed, the amount Pell grants cover is about one-third.

Today students hoping to attend college on a Pell grant are going to be able to feel more secure because not only are we going to offer over 800,000 additional Pell awards over the next 10 years, we're also going to raise the amount they're worth to almost \$6,000, so that inflation does not erode the value of your grant.

And we'll put the entire Pell grant program on firmer footing for years to come. Altogether, we are more than doubling the amount of Pell grant funding that was available when I took office. It's one of the most significant investments in higher education since the GI bill.

Now, third, we're going to restore a measure of fairness to how students repay their loans. Today, two out of every three students graduates with help from a loan, and often they take on a mountain of debt as a result. Here in Virginia, the typical student carries almost \$20,000 in debt. Across the country, the average student graduates with over \$23,000 in debt. I know what that's like. Michelle and I had big debts coming out of school, debts we weren't able to fully repay until just a few years before I started running for office.

Today we're making it easier for responsible students to pay off their loans. Right now, if you're a borrower, you don't have to spend more than 15 percent of your income on loans. But starting in 2014, you won't have to pay more than 10 percent of your income in repaying your student loans. That will make a meaningful difference for over 1 million more students. We're also going to give students an incentive to do what's right. If you pay your loans on time, you'll only have to pay them off for 20 years. And you'll only have to pay them off for 10 years if you repay them with service to your community and to our country, as a teacher or a nurse or a member of our Armed Forces.

Finally, we'll reinvest some of the \$68 billion in savings to strengthen our Historically Black Colleges and Universities and minority serving institutions. These are institutions that have struggled more than most in these tough economic times.

The reforms in this bill are significant, but they're just part of a broader effort to strengthen our entire higher education system. We're putting college tuition tax credits in the pockets of millions of students from working families to help them pay for college. We've taken

steps to simplify the Federal college assistance form, called the FAFSA, because it shouldn't take a PhD to apply for financial aid. And we're helping ensure that America's high school graduates are ready for college. All of this is paid for. We're redirecting money that was poorly spent to make sure we're making investments in our future.

Now, this won't solve all of our problems in higher education. We continue to expect colleges and universities to do their part to hold down tuition increases. That has to happen. We've got to work on that. And we also need to take greater initiative not only to help more college—students enter college, we've got to make sure that we see more students successfully earn a college degree.

But what we've done over the past year represents enormous progress. So I'll close by saying this. For a long time, our student loan system has worked for banks and financial institutions. Today we're finally making our student loan system work for students and our families. But we're also doing something more.

From the moment I was sworn into office, I've spoken about the urgent need for us to lay a new foundation for our economy and for our future. And two pillars of that foundation are health care and education, and each has long suffered from problems that we chose to kick down the road.

With the bill I signed last week, we finally undertook meaningful reform of our health care system. With this bill and other steps we've pursued over the last year, we are finally undertaking meaningful reform in our higher education system. So this week, we can rightly say, the foundation on which America's future will be built is stronger than it was 1 year ago.

And so at the end of this extraordinary week, I want to acknowledge some of the people who made it possible. There isn't time to single out everyone who's here—outstanding Members of Congress, but I want to make sure I once again say this would not have happened had it not been for the leadership of Speaker Nancy Pelosi, Senate Majority Leader Harry Reid, Senator Dick Durbin, and Congressman Steny Hoyer. All provided outstanding leadership that our Nation needed.

On health care, Max Baucus, Chris Dodd, Henry Waxman, Charlie Rangel, and so many others offered invaluable expertise throughout the year. Congressmen George Miller, Jim Clyburn, Dale Kildee, Ruben Hinojosa led the way in the House on education reforms that I sign today.

Senator Tom Harkin's dedication ensured that the Senate would include these reforms in this bill. Virginia's own Bobby Scott and an outstanding freshman, Tom Perriello, helped to make this thing possible. We are grateful to them.

Now, courage is an essential ingredient in any landmark legislation, particularly when the attacks are as fierce and unrelenting and inaccurate—[laughter]—as they have been over the past year. So I just want to commend Members of Congress who had the courage to do what's right, and to say a special thank you to all of the newer Members.

The past couple of years have brought one challenge after another, and you've risen to the moment each time. I could not be prouder of the work that all of you have done. And it would not have happened had it not been for the incredible persistence and stick-to-itiveness of all the folks in the audience here today.

Ultimately, Congress responds to the voices that they're hearing in their communities, and so many of you have written letters and come to meetings and let people know of the ordinary

struggles that people are going through each and every day. You're what provided Members of Congress the courage that they needed to do what was right. And so on behalf of all of us who are serving in Washington, we want to thank you, the American people, for your outstanding leadership.

And with that, I'm going to sign this bill. Thank you very much.

NOTE: The President spoke at 11:04 a.m. at Northern Virginia Community College. In his remarks, he referred to Vice President Joe Biden; and Robert G. Templin, Jr., president, Northern Virginia Community College. He also referred to H.R. 3590, approved March 23, which was assigned Public Law No. 111-148, and H.R. 4872, approved March 30, which was assigned Public Law No. 111-152. The transcript released by the Office of the Press Secretary also included the remarks of Jill Biden, who introduced the President.

*Categories:* Bill Signings and Vetoes : Health Care and Reconciliation Act of 2010, remarks in Alexandria, VA.

*Locations:* Alexandria, VA.

*Names:* Baucus, Max S.; Biden, Jill; Biden, Joseph R., Jr.; Clyburn, James E.; Dodd, Christopher J.; Donovan, Shaun L.S.; Duncan, Arne; Durbin, Richard J.; Harkin, Thomas R.; Hinojosa, Ruben; Hoyer, Steny H.; Kildee, Dale E.; Kirk, Ron; Miller, George; Obama, Michelle; Pelosi, Nancy; Perriello, Tom; Rangel, Charles B.; Reid, Harry; Salazar, Kenneth L.; Scott, Robert C.; Sebelius, Kathleen; Templin, Robert G., Jr.; Waxman, Henry A.

*Subjects:* Budget, Federal : Fiscal year 2010 budget; Congress : House of Representatives :: Majority leader; Congress : House of Representatives :: Speaker; Congress : Senate :: Majority leader; Economy, national : American Recovery and Reinvestment Act of 2009; Education : Postsecondary education :: Student loans, elimination of subsidies to private providers; Education : Global competitiveness; Education : Postsecondary education :: Affordability; Education : Postsecondary education :: Career training and continuing education; Education : Postsecondary education :: College dropout rate; Education : Postsecondary education :: Community colleges; Education : Postsecondary education :: Historically Black Colleges and Universities; Education : Postsecondary education :: Minority serving institutions; Education : Postsecondary education :: Pell grants; Education : Postsecondary education :: Reform legislation; Education : Postsecondary education :: Scholarship and financial aid forms, simplification of; Education : Postsecondary education :: Student loans, elimination of subsidies to private providers; Education : Postsecondary education :: Student loans, repayment cap; Education : Postsecondary education :: Tax credits, expansion; Education : Postsecondary education :: Tuition and student loan assistance, public service in exchange for; Education, Department of : Secretary; Health and Human Services, Department of : Secretary; Health and medical care : Community health centers; Health and medical care : Cost control reforms; Health and medical care : Health insurance reforms; Health and medical care : Insurance coverage and access to providers; Health and medical care : Medical fraud and negligence, efforts to combat and prevent; Health and medical care : Medicare and Medicaid; Health and medical care : Patient Protection and Affordable Care Act; Health and medical care : Seniors, prescription drug benefits; Health and medical care : Small businesses, tax credits to purchase insurance coverage; Housing and Urban Development, Department of : Secretary; Interior, Department of the : Secretary; Legislation, enacted : Health Care and Reconciliation Act of 2010; Education : Postsecondary education :: Reform legislation; Trade Representative, Office

of the U.S. : U.S. Trade Representative; Virginia : Northern Virginia Community College in Alexandria; Virginia : President's visits.

*DCPD Number:* DCPD201000211.